

111TH CONGRESS  
1ST SESSION

# H. R. 4292

To amend the Internal Revenue Code of 1986 to allow a refundable credit to the issuers of qualified zone academy bonds and qualified school construction bonds.

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## IN THE HOUSE OF REPRESENTATIVES

DECEMBER 11, 2009

Mr. CHILDERS introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to allow a refundable credit to the issuers of qualified zone academy bonds and qualified school construction bonds.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “America’s Better  
5       Classrooms Act of 2009”.

1 **SEC. 2. ISSUER ALLOWED REFUNDABLE CREDIT FOR**  
2 **QUALIFIED ZONE ACADEMY BONDS AND**  
3 **QUALIFIED SCHOOL CONSTRUCTION BONDS.**

4 (a) IN GENERAL.—Section 6431 of the Internal Rev-  
5 enue Code of 1986 is amended by adding at the end the  
6 following new subsection:

7 “(f) APPLICATION OF SECTION TO QUALIFIED ZONE  
8 ACADEMY BONDS AND QUALIFIED SCHOOL CONSTRUC-  
9 TION BONDS.—

10 “(1) IN GENERAL.—In the case of any specified  
11 tax credit bond—

12 “(A) such bond shall be treated as a quali-  
13 fied bond for purposes of this section,

14 “(B) subsection (a) shall be applied with-  
15 out regard to the requirement that the qualified  
16 bond be issued before January 1, 2011,

17 “(C) the amount of the payment deter-  
18 mined under subsection (b) with respect to any  
19 interest payment date under such bond shall be  
20 equal to the lesser of—

21 “(i) the amount of interest payable  
22 under such bond on such date, or

23 “(ii) the amount of interest which  
24 would have been payable under such bond  
25 on such date if such interest were deter-  
26 mined at the applicable credit rate deter-

1                   mined under section 54A(b)(3) with re-  
2                   spect to such bond,

3                   “(D) interest on any such bond shall be in-  
4                   cludible in gross income for purposes of this  
5                   title, and

6                   “(E) no credit shall be allowed under sec-  
7                   tion 54A with respect to such bond.

8                   “(2) SPECIFIED TAX CREDIT BOND.—For pur-  
9                   poses of this subsection, the term ‘specified tax cred-  
10                  it bond’ means any qualified tax credit bond (as de-  
11                  fined in section 54A(d)) if—

12                  “(A) such bond is a qualified zone acad-  
13                  emy bond (as defined in section 54E) or a  
14                  qualified school construction bond (as defined in  
15                  section 54F), and

16                  “(B) the issuer of such bond makes an ir-  
17                  revocable election to have this subsection  
18                  apply.”.

19                  (b) TECHNICAL CORRECTIONS RELATING TO QUALI-  
20                  FIED SCHOOL CONSTRUCTION BONDS.—

21                  (1) The second sentence of section 54F(d)(1) of  
22                  such Code is amended by striking “by the State”  
23                  and inserting “by the State education agency (or  
24                  such other agency as is authorized under State law  
25                  to make such allocation)”.

1           (2) The second sentence of section 54F(e) of  
2       such Code is amended by striking “subsection  
3       (d)(4)” and inserting “paragraphs (2) and (4) of  
4       subsection (d)”.

5       (c) EFFECTIVE DATE.—

6           (1) IN GENERAL.—Except as otherwise pro-  
7       vided in this subsection, the amendment made by  
8       this section shall apply to bonds issued after Decem-  
9       ber 31, 2009.

10          (2) TECHNICAL CORRECTIONS.—The amend-  
11       ments made by subsection (b) shall take effect as if  
12       included in section 1521 of the American Recovery  
13       and Reinvestment Tax Act of 2009.

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